

House File 2277

H-8095

1 Amend House File 2277 as follows:

2 1. By striking page 2, line 14, through page 3,
3 line 5, and inserting:

4 <Sec. _____. Section 490.1620, Code 2014, is amended
5 to read as follows:

6 **490.1620 Financial statements for shareholders.**

7 1. A Except as provided in subsection 4, a
8 corporation shall ~~deliver~~ prepare and make available
9 to its shareholders, as provided in subsection 3,
10 annual financial statements, which may be consolidated
11 or combined statements of the corporation and one or
12 more of its subsidiaries, as appropriate, that include
13 a balance sheet as of the end of the fiscal year, an
14 income statement for that year, and a statement of
15 changes in shareholders' equity for the year unless
16 that information appears elsewhere in the financial
17 statements. If financial statements are prepared for
18 the corporation on the basis of generally accepted
19 accounting principles, the annual financial statements
20 must also be prepared on that basis.

21 2. If the annual financial statements are reported
22 upon by a public accountant, the report must accompany
23 them. If not, the statements must be accompanied by a
24 statement of the president or the person responsible
25 for the corporation's accounting records which does all
26 of the following:

27 a. States such person's reasonable belief whether
28 the statements were prepared on the basis of generally
29 accepted accounting principles and, if not, describing
30 the basis of preparation.

31 b. Describes any respects in which the statements
32 were not prepared on a basis of accounting consistent
33 with the statements prepared for the preceding year.

34 3. Within one hundred twenty days after the close
35 of each fiscal year, the corporation shall ~~send~~
36 deliver the annual financial statements described
37 in subsections 1 and 2 to each any person who was a
38 shareholder of the corporation at the end of such
39 fiscal year. Thereafter, on written request from
40 a shareholder to whom the statements were not ~~sent~~
41 delivered, the corporation shall ~~send~~ deliver to the
42 shareholder the latest financial statements. A public
43 The corporation may fulfill its responsibilities
44 obligation to deliver the financial statements under
45 this section this subsection by any of the following
46 methods:

47 a. By any means authorized under section 490.141.

48 b. By making the financial statements available
49 to a shareholder via internet access without charge
50 notwithstanding the lack of consent otherwise required

1 by section 490.141, subsection 10, paragraph "b" and by
2 notifying the shareholder of instructions for access.

3 c. If the corporation is a public corporation,
4 by delivering the specified financial statements,
5 or otherwise making them available, in any manner
6 permitted by the applicable rules and regulations of
7 the United States securities and exchange commission.

8 d. If the corporation is not a public corporation,
9 by filing annual financial reports in compliance with
10 state or federal law, provided that such reports meet
11 all the following requirements:

12 (1) Contain a balance sheet as of the end of the
13 fiscal year and an income statement for that fiscal
14 year.

15 (2) Are required by state or federal law to be
16 filed with a state or federal agency within one hundred
17 twenty days after the close of each fiscal year.

18 (3) Are available to the public, including via
19 internet access, without charge.

20 4. A corporation with fewer than one hundred
21 shareholders as of the end of the corporation's fiscal
22 year, or that operates on a cooperative basis as
23 defined under 26 U.S.C. §1381, shall be excused from
24 complying with this section if the corporation prepares
25 annual financial statements, which may be consolidated
26 or combined statements of the corporation and one or
27 more of its subsidiaries, as appropriate, that include
28 a balance sheet as of the end of the fiscal year and an
29 income statement for that fiscal year. Upon written
30 request from a shareholder, the corporation shall, at
31 its expense, deliver to the shareholder the requested
32 financial statements as provided in subsection
33 3, paragraph "a" or "b". If the annual financial
34 statements are reported upon by a public accountant,
35 the report must accompany them.>

36 2. By renumbering as necessary.

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